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The Conference Board

Economic and Business Environment Program

MONTHLY UPDATE TO

International Economic Scoreboard

A Monthly Report from The Conference Board — **August 1988**

ECONOMIC EXPANSION SLOWS A LITTLE

SUMMARY

Worldwide, growth has slowed to about five percent in the composite measure of output, employment, income and sales. According to the leading indexes, however, still slower growth lies ahead.

Regionally, prospects in Europe have improved a bit, but look more hesitant elsewhere.

Nationally, the leading index for France is stronger than at any time in the past year. Among the other major industrial countries, the slowdown in Japan's leading index is the most dramatic.

Interpretation: The global expansion has slowed a trifle and further slowing is indicated by the leading indexes for most countries. Since rapid growth tends to generate inflation, this outlook has at least one favorable implication: it will be easier to keep inflationary pressures under control.

Summary Of Growth Rates, Ten Industrial Countries

	Ten-year Growth Rate	Indexes of Economic Performance Growth Rates*			Leading Business Cycle Indexes Growth Rates*			Current Reading on the Cycle	Latest Month Covered
	1976-86	6 mos. ago	3 mos. ago	Latest month	6 mos. ago	3 mos. ago	Latest month		
	annual rates, percent								
Ten countries	3	6	7	5	6	4	1	Expansion continuing, leaders weak	May
9 countries excl. U.S.	3	6	7	5	8	4	3	Expansion continuing	May
North America (2)	3	5	6	5	4	3	-1	Expansion continuing, leaders weak	May
Europe (4)	2	5	5	5	1	3	4	Expansion continuing	May
Pacific Region (4)	4	7	11	6	17	5	1	Expansion continuing, leaders weak	May
United States	3	6	6	6	3	3	2	Expansion continuing, leaders weak	June
Canada	3	7	6	5	6	5	4	Expansion continuing	May
West Germany	2	4	4	4	1	7	7	Expansion continuing	June/May
France	2	5	6	5	3	4	9	Expansion continuing	May/June
United Kingdom	2	7	6	7	1	0	1	Expansion continuing, leaders weak	May
Italy	2	3	5	8	-1	-1	2	Expansion continuing, leaders weak	Apr./May
Japan	4	7	10	6	19	4	0	Expansion continuing, leaders weak	May
Australia	3	6	9	6	5	3	5	Expansion continuing	May
Taiwan, R.O.C.	8	6	3	4	12	14	14	Expansion continuing, leaders strong	June
Korea, R.O.K.	7	13	20	5	14	13	6	Expansion continuing	May

* Ratio of current month's index to average index over the preceding 12 months, expressed as a compound annual rate.

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INDEXES, WORLDWIDE AND BY REGION, 1987-88

		10 Countries		9 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (4)	
		Indexes, 1980 = 100									
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Jan.	87	115	122	116	120	114	124	109	115	129	130
Feb.	87	116	124	117	121	116	127	109	115	129	132
Mar.	87	116	125	117	123	116	127	109	116	130	137
Apr.	87	117	127	118	126	116	128	110	116	129	142
May	87	117	128	118	127	116	128	110	116	129	146
June	87	118	131	118	130	117	131	111	117	131	153
July	87	118	132	119	132	118	131	111	118	132	157
Aug.	87	119	134	120	134	118	132	111	118	132	163
Sept.	87	119	134	120	134	118	132	112	118	134	163
Oct.	87	120	133	121	133	120	132	112	118	134	161
Nov.	87	121	132	122	132	120	131	113	117	135	158
Dec.	87	122	132	122	132	121	131	113	117	136	157
Jan.	88	122	132	123	132	121	132	114	118	137	157
Feb.	88	123	133	124	132	122	132	114	119	140	156
Mar.	88	124	133	125	133	122	133	115	120	140	157
Apr.	88	124	133	125	134	122	132	115	119	139	158
May	88	124	133	125	134	123	131	116	120	139	158

10 Countries		9 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (3)	
Growth Rates, Percent									
Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
3	7	3	8	2	4	3	4	5	17
4	9	4	9	4	8	3	4	4	17
3	10	3	11	4	8	3	4	4	22
4	12	3	13	4	9	3	5	3	28
3	12	3	14	4	8	3	4	2	31
4	15	4	17	4	11	4	5	4	38
5	14	5	17	5	10	4	5	6	39
5	15	5	19	5	9	4	4	5	43
5	13	5	16	5	9	4	4	6	35
6	10	6	12	6	7	5	3	7	26
6	6	6	8	5	4	5	1	7	17
6	5	6	6	6	3	5	1	8	12
6	4	6	5	6	3	5	2	8	9
7	4	7	4	6	3	5	3	11	5
7	3	7	4	6	3	6	4	10	3
6	2	6	3	5	2	5	3	7	3
5	1	5	3	5	-1	5	4	6	1
Ten Year Annual Growth Rate, Percent									
3	3	3	3	3	3	2	2	4	4

INDEXES, TEN COUNTRIES, 1987-88

		U.S.		Canada		West Germany		France		U.K.		Italy		Japan		Australia		Taiwan, R.O.C.		Korea, R.O.K.	
		Indexes, 1980 = 100																			
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Jan.	87	114	124	119	117	108	113	113	117	106	115	107	114	127	128	119	121	158	169	173	171
Feb.	87	115	127	120	118	108	114	113	117	107	115	107	115	127	129	120	122	162	174	176	181
Mar.	87	115	128	120	119	109	114	114	118	107	116	107	116	127	135	120	124	160	174	179	180
Apr.	87	116	129	121	120	109	114	114	120	108	115	108	117	127	141	121	125	163	180	179	182
May	87	116	129	122	120	109	114	115	120	108	116	108	115	126	146	122	126	163	181	179	183
June	87	116	132	122	121	110	115	116	120	108	116	108	116	128	154	123	127	165	182	182	188
July	87	117	132	122	121	110	116	116	121	109	117	108	116	129	158	125	128	168	183	183	189
Aug.	87	118	133	123	121	110	117	116	121	110	117	107	114	130	166	125	129	170	187	182	182
Sept.	87	118	133	124	124	111	116	117	122	110	117	108	115	131	164	126	130	171	192	187	197
Oct.	87	119	133	125	122	111	116	118	121	111	117	109	115	132	162	126	130	171	194	186	188
Nov.	87	119	132	125	123	111	115	118	121	112	116	109	115	132	158	126	128	171	192	190	195
Dec.	87	120	132	126	123	112	116	119	122	112	116	109	114	134	157	128	129	170	193	196	198
Jan.	88	120	133	126	124	112	118	119	122	113	117	111	114	134	157	128	129	168	192	200	202
Feb.	88	121	133	127	124	112	120	120	122	113	116	112	115	137	156	130	129	175	197	204	201
Mar.	88	122	134	127	127	113	120	121	124	114	117	112	116	137	156	134	130	171	201	204	205
Apr.	88	122	133	127	126	112	121	121	122	115	116	114	116	136	158	129	131	171	202	200	200
May	88	122	132	128	126	113	121	121	124	115	117		116	136	158	131	132	172	206	196	201
June	88	123	134			114			128									174	207		
Growth Rates, Percent																					
Jan.	87	2	4	3	3	2	3	3	5	3	5	2	2	4	19	0	10	13	12	14	10
Feb.	87	4	8	4	4	2	4	3	4	4	5	1	2	3	18	2	10	15	15	15	20
Mar.	87	4	9	4	5	2	4	3	5	4	5	1	3	3	25	2	12	11	13	17	15
Apr.	87	4	9	5	7	3	4	4	7	4	4	2	4	2	31	3	12	13	18	13	15
May	87	4	8	6	6	2	3	4	6	4	5	2	2	1	35	4	13	11	17	12	13
June	87	4	11	6	6	3	4	5	6	5	4	2	3	3	44	6	12	11	15	13	16
July	87	5	10	5	6	3	6	5	6	5	4	1	2	5	45	8	11	12	14	12	15
Aug.	87	5	10	6	5	3	6	5	6	6	5	-1	-1	5	50	7	12	13	16	8	5
Sept.	87	5	9	6	8	3	5	5	7	6	4	1	0	6	39	7	11	12	20	13	20
Oct.	87	6	7	7	4	3	4	6	4	6	3	3	0	6	30	7	8	10	18	9	8
Nov.	87	5	4	7	6	4	1	5	3	7	1	3	-1	7	19	6	5	8	13	13	14
Dec.	87	6	3	7	4	4	3	6	3	7	0	3	-2	7	13	9	4	6	12	16	15
Jan.	88	6	3	6	6	3	5	5	2	7	2	5	-3	8	9	7	3	3	9	18	16
Feb.	88	6	3	6	5	4	7	6	3	6	0	6	-1	10	4	9	3	10	11	20	13
Mar.	88	6	3	6	7	4	6	6	4	6	0	6	2	9	2	14	3	3	14	18	15
Apr.	88	6	2	5	6	3	7	5	2	7	0	8	2	7	2	4	4	2	13	10	8
May	88	5	-1	5	4	3	7	5	4	7	1		2	6	0	6	5	2	14	5	6
June	88	6	2			4			9									4	14		
Ten Year Annual Growth Rate, Percent																					
1976-86		3	3	3	3	2	2	2	2	2	2	2	2	4	4	3	3	8	8	7	7